

## CABLE BREAKFAST

Good morning.

In yesterday's LA Times, a Republican lobbyist, for all I know it could be one of you, said that this year Democrats have a theme, the culture of corruption and incompetence., and that Republicans are concerned next year could be a bad year for them.

That's what I'd like to talk about this morning...and not just the politics of it, but it how it will affect Congress works and how it might affect you.

The anonymous Republican lobbyist was right—Democrats are going to be talking a lot about corruption and incompetence.

On the corruption side, it's difficult to decide which scandal might be the most damaging.

I'm not sure Duke Cunningham's problems even make the list.

A very good case could be made that the Rove/Libby scandal could have the most serious consequences.

Discuss recent developments—NYT story this weekend, role of Judith Miller, professionalism of Fitzgerald (no leaks, methodical approach), rumors that could reach Cheney and perhaps Bush.

A very good case could be made that Tom Delay's indictment could be the most serious.

Discuss how central Delay has been to everything Republicans do in the House—he has been the power and the driving force.

And a very good case could be made that the scandals around Jack Abramoff could be the most devastating.

There's been one arrest, David Safavian, so far.

And we know there's the potential of a lot more damaging information out there, that could implicate many others, but we don't know the specific information.

The Washington Post ran an extraordinary story this weekend on ELottery. It followed the money to Grover Norquist, Ralph Reed, Lou Sheldon...I think Jack Abramoff calls him "Lucky Louie"...and Tom Delay's office.

Based on what we know, we can conclude that Abramoff not only broke the rules, but he was careless and seemed to document an awful lot in emails. That should worry a lot of people.

I don't know which is the most serious but I do know that taken together, they create a terrible problem for Republicans.

I think the incompetence issue has been slower to take shape, but Katrina made this very real for millions of Americans.

The response to Katrina was incompetent in every way.

Discuss dismantling of FEMA, changes in policies, filling it with cronies, funding cuts.

The entire country was embarrassed by the incompetent response to the hurricane. And it's shone a spotlight on other issues that have suffered from incompetence.

Maybe the easiest to understand by the numbers is the budget. This Administration has taken record surpluses and turned them into record deficits.

Most Americans will never know the full extent of this failure—turning \$5 trillion of projected surpluses into \$3 trillion of new debt.

But all Americans will eventually feel the consequences—higher interest rates, spending cuts, and perhaps the elimination of important programs.

I think most Americans now understand how incompetent our Iraq policy has been.

It's not that we didn't find weapons of mass destruction, although on its own that is an inexcusable mistake.

It's sending our troops into battle with the wrong armor and the wrong equipment.

It's being wrong on how many troops were needed...how much the war would cost...how Iraqis would greet our troops...and how quickly and effectively we could rebuild Iraq.

It's paying no attention to carefully developed plans for post-war Iraq and paying no attention to experts who could supply facts, not ideology.

Americans have died because of this incompetence.

The culture of corruption and incompetence is having an interesting impact on Washington Republicans. They seem to be hunkering down, not reaching out.

The Speaker has made it clear that their focus is legislating by a majority of the majority, not with strong bipartisan majorities.

That's how they passed the Prescription Drug law and other bills in the past.

But in the face of plummeting poll numbers, that's how they want to continue to do business in the present.

Just two weeks ago they brought an energy bill to the floor.

Now in August they passed what they said was landmark energy legislation—at several points the Chairman of the Energy and Commerce Committee, was overcome by emotion at passing the bill.

Now their position was that the August law was really nothing, and new breaks and new rollbacks are really the policies that Congress needs to pass.

So they rushed a bill to the floor without a hearing, without a subcommittee markup, and with one day of committee consideration.

The bill was then rewritten the night before it came to the floor.

It was considered with a closed rule, with only one amendment in order.

And when the votes were counted, the bill was defeated by 212-210. Except that it wasn't. The Leadership held the vote open until two Members were forced to switch, so it passed 212-21, with every Democrat voting against it. I don't know that we've ever had an energy bill that every Democrat voted against!

They've taken the same "majority of the majority" approach to oversight.

Katrina was a national tragedy and it deserves a serious and bipartisan response.

But the Republican leadership announced it was creating a bipartisan special committee to investigate the government response to Katrina...and they never even discussed that with Nancy Pelosi or the Democratic leadership.

With all the problems they have, they are still only interested in calling things bipartisan but not doing anything to make them bipartisan.

And we will see that again this week—discuss reconciliation.

All of this has a profound impact on how Congress works and it affects all of you, as you work with the House.

If things continue as they are, the House is going to become more dysfunctional.

Tom Delay will continue to try to run things—from exile—and other Republicans will have to decide if that's what they want.

They will continue to try to legislate with razor thin margins but, as the energy bill showed, that is getting more and more difficult.

The Leadership actually lost five Republicans on the vote on the rule. At some point discipline gives way to self-preservation gives.

And with each new development in the scandals, the House becomes more chaotic, more unpredictable, and more distracted by pending indictments and arrests.

When the Energy bill was on the floor I noted that the House seems to have degenerated into a Banana Republic.

I wasn't trying to be funny when I said that. I've been in Congress for 30 years and I've never seen anything like this.

The rules don't seem to matter...there's no interest in genuine bipartisanship...the Republican and Democratic Leaders have no working relationship...the most powerful member of the House is indicted...serious problems are facing our nation...and the legislation response from the House has nothing to do with really dealing with energy costs, Iraq, or budget deficits.

It's just more of the same tired solutions...more tax cuts, more immunity from lawsuits, and more attempts to rollback regulation.

The way the House is being run isn't in anyone's interest and one way or another, it's going to change.